

TRIBES PURSUE LEGAL COURSE IN RESPONSE TO GOVERNOR'S BREACH OF COMPACTS

*San Manuel Band of Mission Indians and Pechanga Band of Luiseno Mission Indians
to Take Immediate Legal Action to Protect Sovereignty and Tribal Compact Rights*

SAN MANUEL INDIAN NATION, Calif. – August 7, 2002 – The San Manuel Band of Mission Indians and the Pechanga Band of Luiseno Mission Indians today announced a joint decision to pursue their respective sovereign right in an unprecedented tribal legal action taken against the Governor of California. As a result of the Governor's actions of making unilateral decisions without Tribal participation as outlined in the Tribal Gaming Compact, San Manuel and Pechanga felt compelled to take a leadership position in protecting the rights of Tribes and to challenge the Governor's breach of the Compact.

While the Governor purports that the Tribes and State agreed to disagree regarding Compact issues in September of last year, such agreement was never achieved according to the Tribes. The unresolved issues include: the delay in distributing the Revenue Sharing Trust Fund monies to "non-compact" Tribes; the method for calculating payments into the Revenue Sharing Trust Fund still has not been resolved; and, the State continues to maintain that it has sole authority to issue device licenses and need not, at the very least, participate in a joint licensing process with the Tribes as provided under the Compact and by law. The Tribes believe that this and other unilateral decisions made by the Governor breach Tribal Gaming Compacts.

"Not only have the Tribes been negatively affected by the unilateral decisions made by the Governor directly impacting our sovereignty and rights as outlined in the Compact, but the autonomous actions of the Governor are unacceptable and go against the agreed upon terms of the Compact," stated Deron Marquez, Chairman of San Manuel Band of Mission Indians. "I am sincerely disappointed in the Governor's behavior and the actions he has taken, therefore on behalf of all Tribal Nations I believe it is our inherent and authentic duty to pursue litigation to resolve these issues, to prevent the State and Governor from further breaching the Compacts and to protect our sovereignty so that Tribes can maintain economic independence. The San Manuel Band of Mission Indians have always assisted California Tribal Nations with Compacts and it is only natural we address the infractions taking place."

According to the Tribes, upon requesting a "meet and confer" meeting with the Governor, as required by the Compact, both San Manuel and Pechanga endeavored to resolve the outstanding issues that form the basis of the dispute between the State and the Tribes over the interpretation of certain key provisions of the Compact. Although the Compact guarantees the Tribes good faith "meet and confer" sessions with the Governor to resolve issues, the Governor has refused to cooperate, further stated the Tribes. Moreover, without having the issues resolved, the Governor has continued to move forward making unilateral decisions that directly affect Tribal nations without consideration of Tribal rights.

"I am dismayed at the abject lack of effort by the Governor's people in even trying to meet us halfway on this. Their unwillingness to abide by the compact's terms--and by their word--is frustrating," said Mark Macarro, Chairman of the Pechanga Band of Luiseno Mission Indians. "Pechanga has sovereignty issues at stake here and we intend to resist the State's attempt at diminishing that. Our only recourse now is to file suit."

About the San Manuel Band of Mission Indians

Descendents of the Serrano Indians, the San Manuel Band of Mission Indians inhabited a territory spanning the San Bernardino Mountains, valley and adjoining desert lands for centuries. Today, the tribe is located on the San Manuel Reservation near Highland, Calif. Like other tribal lands in the United States, the San Manuel Reservation is a sovereign nation with its own system of government and tribal laws. The tribe operates the San Manuel Indian Bingo and Casino and the San Manuel Bottled Water Group, in addition to managing a variety of economic ventures. A partner in the community, the San Manuel Band of Mission Indians actively contributes to a variety of projects in neighboring areas. Nearby cities and towns receive support from the tribe

for cultural, social, and economic projects to benefit the common good of the communities in which the tribe's members live and work.

About the Pechanga Band of Luiseno Mission Indians

The Temecula Valley has been home to the Pechanga Band of Luiseno Indians for more than 10,000 years. Today the Pechanga Band of Luiseno Indians is a full-functioning modern government and its people are experiencing a time of renewed optimism and hope. The Pechanga Tribal Government takes pleasure that we now have the means to build and plan a better life for our people and that we can also share with our neighbors and participate in the civic and charitable life of the Temecula Valley community. The Pechanga Band exclusively owns and operates the Pechanga Resort & Casino which first opened in July, 1995. The Pechanga Resort & Casino includes a 522-room hotel, a 75,000 square foot casino, six restaurants, a state-of-the-art theater, and a 40,000 square foot convention center. In the process of returning to economic viability, we are providing jobs that make life better for many people in the Temecula Valley.

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